



FH
[REDACTED]

STATE OF WISCONSIN
Division of Hearings and Appeals

In the Matter of

[REDACTED]

DECISION
Case #: MGE - 206669

PRELIMINARY RECITALS

Pursuant to a petition filed on October 28, 2022, under Wis. Stat. § 49.45(5), and Wis. Admin. Code § HA 3.03(1), to review a decision by the St. Croix County Health & Human Services Department (“the agency”) regarding Medical Assistance (MA), a hearing was held on November 17, 2022, via teleconference initiated from Madison, Wisconsin.

The issue for determination is whether the agency properly denied Petitioner’s application for Medicaid.

There appeared at that time the following persons:

PARTIES IN INTEREST:

Petitioner:

[REDACTED]

Respondent:

Department of Health Services
1 West Wilson Street, Room 651
Madison, WI 53703

By: Amanda Bohatta

St. Croix County Health & Human Services Department
1752 Dorset Lane
New Richmond, WI 54017-1063

ADMINISTRATIVE LAW JUDGE:

Teresa A. Perez
Division of Hearings and Appeals

FINDINGS OF FACT

1. Petitioner (CARES # [REDACTED]) is a widowed, unmarried 90-year old resident of Douglas County.

2. Petitioner applied for SSI-related Medicaid and Medicare Savings Program on July 19, 2022. She requested that her benefits be backdated to include April, May, and June 2022.
3. By letter dated July 25, 2022, the agency directed Petitioner to provide verification of ten specified life insurance policies by August 18, 2022.
4. On July 28, 2022, the agency received verification of five life insurance policies.
5. By letter dated July 29, 2022, the agency directed Petitioner to provide verification of the life insurance policies that had not yet been verified by August 18, 2022.
6. By August 18, 2022, the agency received verification of six life insurance policies. The face value of those policies exceeds \$1,500 and the total cash surrender value is \$7,454.45.
7. On September 16, 2022, the agency notified Petitioner in writing that her application for Medicaid and Medicare Savings Program was denied as of June 2022 because her assets exceeded the program limits. In fact, the verified life insurance policies exceeded the Medicaid asset limit but not the Medicare Savings Program asset limit.
8. On November 4, 2022, the agency notified petitioner in writing that her application for Medicaid and Medicare Savings Program was denied as of August 1, 2022 because she failed to take all needed action (i.e., she failed to provide verification of five life insurance policies) and that her application for Medicaid was denied also because her assets exceeded the program limit.

DISCUSSION

To be eligible for “SSI-related Medicaid”, an unmarried individual may not own countable assets in excess of \$2,000. *Medicaid Eligibility Handbook [MEH]* §39.4.1. To be eligible for one of the Medicare Savings Programs (i.e., QMB, SLMB, SLMB+), an unmarried individual may not own countable assets in excess of \$8,400. *Id.*

For individuals aged 65 and older, life insurance is a countable asset if the total face value of all policies owned by the applicant exceeds \$1,500. *MEH* §16.7.5. If the total face value exceeds \$1,500, then the total cash surrender value of the policies is countable. *Id.*

Applicants must provide verification of countable assets to the agency. *MEH* §20.3.5. The agency must notify the applicants of that obligation and must provide them with at least ten days to produce the requested verification. *MEH* §20.3.5. When an applicant fails to produce the requested verification, the agency must deny benefits unless the individual does not have the power to produce the verification or if the verification cannot be timely obtained even with the agency’s assistance. *MEH* §§20.1.4 and 20.8.3.

In this case, the agency explained that Petitioner verified some but not all of the life insurance policies that she owns. The agency provided relevant documentation sufficient to demonstrate that the countable value of those policies that she did verify exceed the \$2,000 Medicaid asset limit. The agency therefore correctly denied her application for Medicaid. The countable value of the life insurance policies that Petitioner verified do not exceed the \$8,400 Medicare Savings Program asset limit; however, the agency properly denied her application for that program because she failed to provide all requested verification.

At hearing, Petitioner testified that she was in the process of transferring ownership of some of her life insurance policies to family members. If Petitioner does transfer ownership of her life insurance policies and reduces her countable assets to \$2,000 or less, she may reapply for benefits. I note that she would still be subject to verification requirements if she did so and that if she should require assistance obtaining verification, she should be sure to alert the agency.

CONCLUSIONS OF LAW

The agency properly denied Petitioner's application for Medicaid because her countable assets exceed the \$2,000 asset limit.

THEREFORE, it is

ORDERED

Petitioner's appeal is dismissed.

REQUEST FOR A REHEARING

You may request a rehearing if you think this decision is based on a serious mistake in the facts or the law or if you have found new evidence that would change the decision. Your request must be **received within 20 days after the date of this decision**. Late requests cannot be granted.

Send your request for rehearing in writing to the Division of Hearings and Appeals, 4822 Madison Yards Way, 5th Floor North, Madison, WI 53705-5400 **and** to those identified in this decision as "PARTIES IN INTEREST." Your rehearing request must explain what mistake the Administrative Law Judge made and why it is important or you must describe your new evidence and explain why you did not have it at your first hearing. If your request does not explain these things, it will be denied.

The process for requesting a rehearing may be found at Wis. Stat. § 227.49. A copy of the statutes may be found online or at your local library or courthouse.

APPEAL TO COURT

You may also appeal this decision to Circuit Court in the county where you live. Appeals must be filed with the Court **and** served either personally or by certified mail on the Secretary of the Department of Health Services, 1 West Wilson Street, Room 651, **and** on those identified in this decision as "PARTIES IN INTEREST" **no more than 30 days after the date of this decision** or 30 days after a denial of a timely rehearing (if you request one).

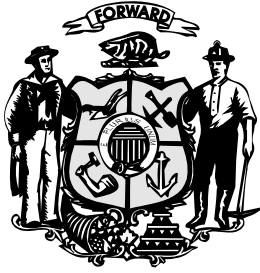
The process for Circuit Court Appeals may be found at Wis. Stat. §§ 227.52 and 227.53. A copy of the statutes may be found online or at your local library or courthouse.

Given under my hand at the City of Madison,
Wisconsin, this 17th day of January, 2023



\s _____

Teresa A. Perez
Administrative Law Judge
Division of Hearings and Appeals



State of Wisconsin\DIVISION OF HEARINGS AND APPEALS

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The preceding decision was sent to the following parties on January 17, 2023.

St. Croix County Health & Human Services
Division of Health Care Access and Accountability